



General Assembly

February Session, 2008

Raised Bill No. 530

LCO No. 2454

02454_____GL_

Referred to Committee on General Law

Introduced by:
(GL)

***AN ACT CONCERNING TRANSPARENCY AND OVERSIGHT OF THE
GASOLINE MARKET.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) This section shall be known
2 as and may be cited as the "Gasoline Transparency and Oversight Act".

3 Sec. 2. (NEW) (*Effective from passage*) As used in this act:

4 (1) "Classes of retail trade" means the separate subdivisions of
5 outlets or methods of retail sales of fuel, including, but not limited to:

6 (A) A company-operated station operated pursuant to chapter 250a
7 of the general statutes that is a retail service station owned and
8 operated by a distributor and where retail prices are set by such
9 distributor;

10 (B) A lessee dealer-operated station that is a retail service station
11 owned by a distributor and operated by a gasoline dealer other than a
12 distributor under a franchise; or

13 (C) An owner-operated station that is a retail service station not

14 owned by a distributor and operated by a gasoline dealer;

15 (2) "Distributor" has the same meaning as provided in section 14-
16 327a of the general statutes;

17 (3) "Fuel" means "fuels", as defined in section 14-1 of the general
18 statutes, diesel fuel and number two heating oil, but does not include
19 aviation fuel;

20 (4) "Major retailer" means any person who sells at retail to
21 consumers in this state more than one million gallons of fuel;

22 (5) "Major oil producer" means any person who produces oil that is
23 sold in this state and such sales exceed one million gallons annually;

24 (6) "Major oil storer" means any person who annually stores more
25 than one million gallons of fuel in this state;

26 (7) "Major oil transporter" means any person who annually
27 transports more than one million gallons of fuel in this state;

28 (8) "Person" has the same meaning as provided in section 14-1 of the
29 general statutes; and

30 (9) "Relevant time period" means February 1, 2007, to February 28,
31 2007, inclusive, June 1, 2007, to June 30, 2007, inclusive, February 1,
32 2008, to February 29, 2008, inclusive, and June 1, 2008, to June 30, 2008,
33 inclusive.

34 Sec. 3. (NEW) (*Effective on passage*) On or before August 1, 2008,
35 every distributor shall file with the Attorney General, on forms
36 prescribed, prepared and furnished by said office, a certified statement
37 showing the following information for the relevant time period:

38 (1) The total number of gallons or units of fuel, by type or grade,
39 imported into this state or blended, manufactured or compounded
40 within this state, either for sale or use in this state or for transfer or use
41 by the distributor;

42 (2) For each transaction of fuel sold, exchanged or otherwise
43 transferred or used by the distributor, whether such purchases or uses
44 for fuel were for retail sale within Connecticut or out-of-state, the total
45 number of gallons or units of fuel and the price thereof, by type or
46 grade, and by classes of purchasers or users, including: (A) Retail
47 outlets, by class of retail trade, and (B) wholesale distributors.

48 (3) For each transaction of fuel acquired by, purchased by or
49 otherwise transferred to the distributor:

50 (A) The total number of gallons or units of fuel, by type or grade;

51 (B) The price paid per gallon or units of fuel, by type or grade;

52 (C) The name and address of the seller of such fuel; and

53 (D) The gross margins or spreads between the distributor's average
54 weighted cost for each gallon or unit of fuel acquired by the distributor
55 and the prices charged by the distributor for each gallon or unit of fuel
56 sold, to another distributor, a retail dealer, end-user or consumer.

57 Sec. 4. (NEW) (*Effective from passage*) On or before August 1, 2008,
58 each major retailer shall file with the Attorney General, on forms
59 prescribed, prepared and furnished by said office, a certified statement
60 showing the following information during the relevant time period:

61 (1) The retail prices for fuel charged by such retailer per day, by
62 type and grade of fuel;

63 (2) The sales volume of such fuel sold by such retailer per day, by
64 type and grade of fuel; and

65 (3) For each transaction of fuel acquired by, purchased by or
66 otherwise transferred to the retailer:

67 (A) The total number of gallons or units of fuel, by type or grade;

68 (B) The price paid per gallon or units of fuel, by type or grade;

69 (C) The name and address of the seller of such fuel; and

70 (D) The gross margins or spreads between the retailer's average
71 weighted cost for each gallon or unit of fuel acquired by the retailer
72 and the prices charged by the retailer.

73 Sec. 5. (NEW) (*Effective from passage*) On or before August 1, 2008:

74 (1) Major oil transporters shall report to the Attorney General the
75 capacities of each major fuel transportation system used to transport
76 fuel to the state of Connecticut, the amount of fuel transported by each
77 system to the state of Connecticut and the inventories thereof for the
78 relevant time period;

79 (2) Major oil storers shall report to the Attorney General on the fuel
80 storage capacity for each fuel storage facility within the state of
81 Connecticut, the amount of fuel received and distributed from such
82 fuel storage facility, and methods of transportation of such fuel
83 distributed from such facility for the relevant time period; and

84 (3) Major oil retailers shall report to the Attorney General on fuel
85 capacity at each retail facility owned or operated by such retailer
86 during the relevant time period.

87 Sec. 6. (NEW) (*Effective from passage*) The Attorney General may
88 purchase retail price data from data service companies that said office
89 may use to assist in analyzing retail and wholesale fuel price and
90 supply data. The Attorney General shall prescribe applicable standards
91 and practices for reporting to facilitate uniformity, consistency and
92 comparability of the data to be submitted pursuant to this subsection.

93 Sec. 7. (NEW) (*Effective from passage*) The Attorney General shall
94 analyze such information received pursuant to this act and issue a
95 report to the joint standing committees of the General Assembly
96 having cognizance of matters relating to energy and consumer
97 protection issues. Such report shall contain recommendations for
98 administrative or legislative action and findings concerning the

99 gasoline market in Connecticut. The Attorney General may refer such
100 information to the appropriate municipal, state or federal agency for
101 law enforcement purposes or may initiate such legal action as deemed
102 appropriate.

103 Sec. 8. (NEW) (*Effective from passage*) Information provided to the
104 Attorney General pursuant to this act shall be maintained for the
105 purpose of facilitating the purposes of section 7 of this act, provided
106 the Attorney General may make available to the public such
107 information. Trade secret information provided to the Attorney
108 General pursuant to this act shall be held in confidence by said office
109 provided it may be made available to the public in aggregated form to
110 the extent necessary to ensure the confidentiality of the company to
111 whom such information applies.

112 Sec. 9. (NEW) (*Effective from passage*) (a) The Attorney General shall
113 notify those persons who have failed to timely provide the information
114 required by this act. The Attorney General may issue a civil
115 investigatory demand for additional information, including
116 information required pursuant to sections 3 to 5, inclusive, of this act,
117 for additional months outside the relevant time period, as and when
118 said office deems necessary to perform said office's responsibilities
119 under this act.

120 (b) If a person fails to supply information within five business days
121 after being notified of the failure to provide the required information
122 pursuant to subsection (a) of this section or if such person fails to
123 comply with a civil investigatory demand issued pursuant to
124 subsection (a), such person shall forfeit and pay to the state a civil
125 penalty of not less than fifty thousand dollars per day or more than
126 one hundred thousand dollars per day for each day the submission of
127 information is refused or delayed. The Attorney General, acting in the
128 name of the state, may petition for recovery of such penalties.

129 (c) If any person or any employee of any person wilfully makes any
130 false statement, representation or certification in any record, report,

131 plan or other document filed with the Attorney General pursuant to
132 this act, the Attorney General, upon petition to the court, may recover,
133 on behalf of the state, a civil penalty not to exceed five hundred
134 thousand dollars. For purposes of this subsection, a wilful violation
135 occurs when the party committed the violation knew or should have
136 known that such conduct was a violation of this act.

137 Sec. 10. (*Effective on passage*) The sum of three hundred thousand
138 dollars is appropriated to the Office of the Attorney General for the
139 purposes of implementing this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>on passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>on passage</i>	New section

Statement of Purpose:

To require gasoline wholesalers, retailers and other gasoline industry related companies to submit pricing and supply information to the Attorney General.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]